Summary of the recent development of the Hungarian environmental legislation Gyula Bándi

2005 proved to be the year of consolidation of most of the environmental regulations in Hungary. If one wish to provide a summary of the most interesting steps of novelties there are 4 issues, from among them we have already discussed one in the Madrid meeting. The four items are:

- greenhouse gas emission trading mechanisms (see the Madrid meeting);
- changes in environmental/water management/nature protection administration;
- changes in the authorization system related to EIA and IPPC;
- new trends in paying service fees instead of a lumpsum administrative payment in different environmental administrative procedures.

1. Changes in environmental/water management/nature protection administration

The state of environmental administration has always been characterised by the situation of water management administration, being the oldest and most developed part of the governmental system related to a part of the natural ecosystem. The present Government in 2002 merged the environmental, nature conservation and water management administration into one ministry and decided that the integration of the three different fields of public administration is a must.

The ideas behind such integration were:

- to integrate the fields of authority of the three above mentioned components of public administration in a way that all the administrative decisions shall be issued as integrated ones:
- to divide the tow major areas of competences of public administrative organs in a way that the above mentioned fields of authorities should be kept separate from the services, property management and control, investment, operative action parts of the administration.

These changes could not be managed immediately after the principal decision has been made, but a step-by-step approach was introduced, which could lead to a great confusion in the three fields of environmental administration even up till the end of the year 2005. The most recent – and final during the present governmental period (we have the elections in May 2006) – changes have been adopted in December 2005 (Gov. Decree 276/2005 (XII. 20.)), related to some fine tuning at the level of regional administration and greater changes at the central level of administration.

Of course, the constant changes proved to be fatal to the effectiveness of public administration, as every year since 2002 begun with substantial changes of public administration.

Today, we have the following system – without going much into the details:

1. Central level:

- Chief Inspectorate covering all the administrative competences of environmental, water management and nature conservation administration. This means in most of the cases second level administration, but sometimes this organ has first instance duties. The international, transboundary administrative procedures are also managed at this level.
- National Center for Water Management and Public Collections covering all the tasks of environmental, water and nature conservation management: collecting and disseminating information. (Before January 1, 2006, most of the tasks had been undertaken by the Chief Directorate for Environmental Protection and Water Management).

2. Regional level:

- Inspectorates 12 regional covering all the administrative competences of environmental, water management and nature conservation administration at first instance.
- Environmental and water management directorates 12 regional responsible for managing environmental information, investment, direct action, flood control, etc.
- National park directorates 10 national parks responsible for natural park management, maintenance, research. etc.

2. Changes in the authorization system

Before January 1 2006 the specific environmental authorization and procedural system covered – among others – the following elements:

- preliminary EIA, with preliminary EIS, and with the possibility to issue and environmental authorization at this stage, if there is no need for the detailed procedure;
- detailed EIA, with a detailed EIS, and with the possibility to issue and environmental authorisation;
- integrated environmental permit, which should come after the detailed EIA.

This could mean, that in some cases the authorization procedure could last for more then 500 (!) days. According to more and more views, there should be two changes in the system:

• The distinction between preliminary and detailed environmental assessment should be finished and the preliminary EIA should be replaced by a preliminary investigation procedure, without the possibility to issue an authorization. Within this preliminary step the decision should be made, whether the EIA procedure is necessary or not, and also whether the IPPC (integrated permit) procedure is necessary or not.

• There should be a chance to run the EIA and IPPC procedure parallel as most of the elements are similar to each other. This is not automatic, but the environmental inspectorate may adopt such a decision at the level of preliminary investigation procedure.

At the end of the year the Act CXXVII of 2005 has introduced the new system in theory, as the necessary implementing regulations have not been adopted yet. This means that at the highest regulatory level the new system is in place, while the details, without which the system can not work are still speaking about the former procedures.

3. Service fees

The Act CXXXI of 2005 has introduced the possibility of adopting a fee for the public administration procedure, instead of a lumpsum which proved to be far from satisfactory. This fee shall be relevant in all the types of environmental administrative procedures, but this still requires implementing regulations to define them.

4. Miscellania

There are also several other new regulations, adopted at the end of 2005, which all need details. One possible option is the environmental report, which shall be an obligation of certain operators, the list of which shall be defined later.